- 3 -<u>SOUTHWEST LAKE ARTHUR FIELD</u> 03-554

LEGAL NOTICE

STATE OF LOUISIANA, OFFICE OF CONSERVATION, BATON ROUGE, LOUISIANA.

In accordance with the laws of the State of Louisiana, and with particular reference to the provisions of Title 30 of Louisiana Revised Statutes of 1950, a public hearing will be held in the Hearing Room, 1st Floor, LaSalle Building, 617 North 3rd Street, Baton Rouge, Louisiana, at 9:00 a.m., on TUESDAY, JULY 29, 2003, upon the application of DENBURY RESOURCES INC.

At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of an Order pertaining to the following matters relating to the **Marginulian Howei Zone**, **Reservoir C**, in the Southwest Lake Arthur Field, Cameron Parish, Louisiana.

- 1. To establish rules and regulations and to create a single drilling and production unit for the exploration for and production of gas and condensate from the Marginuliana Howei Zone, Reservoir C, said unit to be designated MARG H RC SUA.
- 2. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the proposed unit, with each tract sharing in unit production on a surface acreage basis of participation.
- 3. To designate Denbury Resources Inc. as operator of the proposed unit.
- 4. To designate the Denbury Resources Inc. Rainbow Gun Club No.1 Well as unit well for the proposed unit.
- 5. To provide that any future wells drilled to Marginulian Howei Zone, Reservoir C, should be exempt from the spacing provisions of Statewide Order No. 29-E.
- 6. To provide that the Commissioner of Conservation should be authorized to reclassify such zone and reservoir by supplemental order without the necessity of a public hearing if the producing characteristics of the reservoir changes and evidence to justify such reclassification is submitted to and accepted by the Commissioner of Conservation.
- 7. To consider such other matters as may be pertinent.

The Marginulina Howei Zone, Reservoir C, in the Southwest Lake Arthur Field, Cameron Parish, Louisiana, is hereby defined as being that gas and condensate bearing zone encountered between the depths of 15,469' and 16,040' (ELM) in the Denbury Resources Inc. - Rainbow Gun Club No. 1 Well, located in Section 10, Township 12 South, Range 4 West.

A plat for inspection in the Office of Conservation in **Baton Rouge** and **Lafayette**, Louisiana.

www.dnr.state.la.us/CONS/CONSEREN/hearings/pubhearings.htm.

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All parties having interest therein shall take notice thereof.

BY ORDER OF:

JAMES H. WELSH COMMISSIONER OF CONSERVATION

Baton Rouge, La 6/19/03;6/24/03 L dpe

IF ACCOMMODATIONS ARE REQUIRED UNDER AMERICANS WITH DISABILITIES ACT, PLEASE ADVISE THE OFFICE OF CONSERVATION - ENGINEERING DIVISION AT P. O. BOX 94275, BATON ROUGE, LA 70804-9275 IN WRITING WITHIN TEN (10) WORKING DAYS OF THE HEARING DATE.